

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 14,470

IN THE MATTER OF:

Served January 8, 2014

GRACE TRANSPORT SERVICES, INC.,)
Suspension and Investigation of)
Revocation of Certificate No. 433)

Case No. MP-2013-053

This matter is before the Commission on respondent's response to Order No. 13,907, served May 10, 2013, which directed respondent to verify cessation of operations as of April 24, 2013, and corroborate with copies of respondent's pertinent business records.

I. BACKGROUND

Certificate No. 433 was automatically suspended on April 24, 2013, pursuant to Regulation No. 58-12 when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 13,881, served April 24, 2013, noted the automatic suspension of Certificate No. 433 pursuant to Regulation No. 58-12, directed respondent to cease transporting passengers for hire under Certificate No. 433, and gave respondent 30 days to replace the terminated endorsement and pay the \$100 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 433.

Respondent subsequently paid the late fee on April 29, 2013, and submitted a \$1.5 million primary WMATC Insurance Endorsement on April 30, 2013, and the suspension was lifted in Order No. 13,907 on May 10, 2013.

But because the effective date of the new endorsement was May 10, 2013, instead of April 24, 2013, - thereby creating a 16-day coverage gap - Order No. 13,907 gave respondent 30 days to submit a statement verifying cessation of operations as of April 24, 2013, as corroborated by copies of respondent's pertinent business records, in accordance with Regulation No. 58-14.

II. RESPONSE

Respondent has produced a new \$1.5 million WMATC Insurance Endorsement with an effective date of April 24, 2013, which eliminates the 16-day gap created by the Endorsement filed April 30, 2013. But elimination of the coverage gap does not alter the fact that Certificate No. 433 was suspended from April 24, through May 9, 2013.

Copies of respondent's business records indicate that respondent transported "members" on nine days during the period of April 29, 2013, through May 9, 2013.

III. ORDER TO SHOW CAUSE

A person who knowingly and willfully violates a provision of the Compact, or a rule, regulation, requirement, or order issued under it, or a term or condition of a certificate shall be subject to a civil forfeiture of not more than \$1,000 for the first violation and not more than \$5,000 for any subsequent violation.¹ Each day of the violation constitutes a separate violation.²

The Commission may suspend or revoke all or part of any certificate of authority for willful failure to comply with a provision of the Compact, an order, rule, or regulation of the Commission, or a term, condition, or limitation of the certificate.³

The term "knowingly" means with perception of the underlying facts, not that such facts establish a violation.⁴ The terms "willful" and "willfully" do not mean with evil purpose or criminal intent; rather, they describe conduct marked by careless disregard of whether or not one has the right so to act.⁵

Respondent shall have 30 days to show cause why the Commission should not assess a civil forfeiture against respondent, and/or suspend or revoke Certificate No. 433, for knowingly and willfully transporting passengers for hire between points in the Metropolitan District while suspended on nine separate days during the period of April 29, 2013, through May 9, 2013.

THEREFORE, IT IS ORDERED:

1. That respondent shall have 30 days to show cause why the Commission should not assess a civil forfeiture against respondent for knowingly and willfully violating Article XI, Section 6(a), of the Compact and Regulation No. 58.

2. That respondent shall have 30 days to show cause why the Commission should not suspend or revoke Certificate No. 433 for respondent's willful failure to comply with Article XI, Section 6(a), of the Compact and Regulation No. 58.

3. That respondent may submit within 15 days from the date of this order a written request for oral hearing, specifying the grounds

¹ Compact, tit. II, art. XIII, § 6(f)(i).

² Compact, tit. II, art. XIII, § 6(f)(ii).

³ Compact, tit. II, art. XI, § 10(c).

⁴ *In re Couples, LLC, t/a Couples Limos.*, No. MP-09-134, Order No. 12,330 (Mar. 8, 2010).

⁵ *Id.*

for the request, describing the evidence to be adduced and explaining why such evidence cannot be adduced without an oral hearing.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS BRENNER, HOLCOMB, AND BELLAMY:

A handwritten signature in black ink, appearing to read "W. S. Morrow, Jr.", written in a cursive style.

William S. Morrow, Jr.
Executive Director